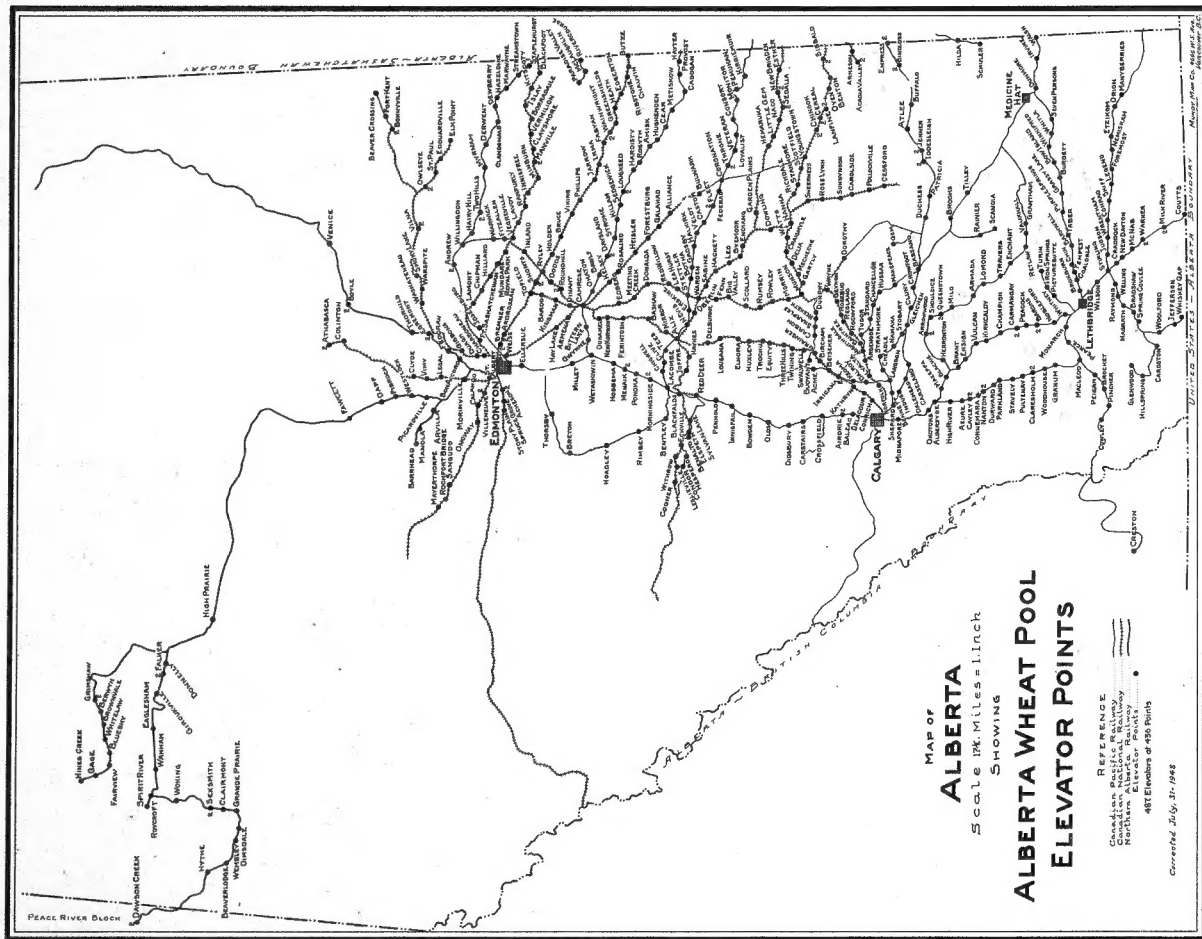


**1923
1948**

**TWENTY-FIVE YEARS SERVICE
TO ALBERTA FARMERS**



Alberta Wheat Pool's Silver Anniversary



The Silver Anniversary of the Alberta Wheat Pool

ON the 29th day of October in the year 1923, Alberta farmers launched a great experiment in co-operative marketing. On that date the Alberta Wheat Pool opened its first office on the second floor of the Lougheed Building in Calgary. The entire floor was devoid of partitions, and the north side was taken over by the Wheat Pool staff, while the south side was occupied by the administration staff of a federal drouth area relief organization.

Chester M. Elliott was manager of the infant organization; T. R. Humphries was accountant, and W. J. Jackman was secretary. A dozen stenographers, clerks and bookkeepers, mostly green hands, comprised the rest of the staff. As money was far from plentiful, second-hand stores were ransacked for office furniture and equipment, and plain kitchen tables had to be used for desks. Two bookkeeping machines were purchased and the staff had to work two shifts, night and day, so that the machines could be used to the uttermost.

Today the Alberta Wheat Pool is the largest Alberta business enterprise. Its assets include 487 country elevators, a 5,150,000 bushel terminal at Vancouver, British Columbia, and a 2,000,000 bushel terminal at Port Arthur, Ontario. The Alberta Pool has handled as much as 52,000,000 bushels of grain in a single year, and has had

a yearly cash turnover in excess of \$60,000,000. The organization's net assets exceed \$12,500,000. It has branch offices in Edmonton, Vancouver and Winnipeg. The average number of employees is 770. The remarkable growth of this farmer-owned co-operative has been achieved over a period of a quarter of a century.

Background of Pool Idea

The idea of forming the Alberta Wheat Pool grew out of the experience of Western Canadian farmers with the federal government's participation in wheat marketing during and immediately after World War I. A federal government board of grain supervisors handled wheat deliveries from the 1917 and 1918 crops. In July, 1919, the Dominion government established a Canadian Wheat Board, which continued in operation until August 16, 1920. In September of that year wheat prices hit a peak of \$2.85 a bushel, and then a decline set in, which continued until December, 1923, when wheat prices hit a low point of 93¼c.

This drastic drop in wheat prices brought financial hardship to the farmers of the three western provinces, Manitoba, Saskatchewan and Alberta, which are known more familiarly as "the prairie provinces". A concerted effort was made to have the government wheat board re-established, but this failed because the Manitoba legisla-

ALBERTA'S GREAT FARM LEADER

Henry Wise Wood

Born in Ralls County, Missouri, May 1, 1860,
died at Calgary, June 10, 1941.

Chairman, board of directors of the Alberta
Wheat Pool, 1923 to 1936.

"The color of the earth was in him, the red earth;
The smack and tang of elemental things
The rectitude and patience of the cliffs . . .
The pity of the snow that hides all scars
The tolerance and equity of light."



ture refused to pass necessary complementary legislation to support a federal wheat board act.

Movement Under Way

Western farmers, in their desperation, were determined to get action somewhere. In the federal constituency of Coronation, in Alberta, a group of wheat producers took preliminary steps to form a wheat pool of their own. But the first practical move to form a pool on a provincial-wide basis was taken in the province of Alberta in July, 1923. The phenomenal rise of the United Farmers of Alberta, under the presidency of the great agrarian leader, Henry Wise Wood, was then at its peak. The organization had entered the political field and a U.F.A. government was in power in Alberta.

Plans for a voluntary provincial wheat pool were drafted, and an educational campaign started in Alberta. At a critical moment The Calgary Herald and The Edmonton Journal brought to Alberta a California lawyer, Aaron Sapiro, who had been very active in producer co-operative movements in the United States. He addressed a number of meetings throughout the province and aroused enthusiasm for wheat pooling to a high pitch. A drive to form an Alberta Wheat Pool received the support of farmers, bankers, businessmen and members of parliament and the legislature.

Sign-Up Secured

The United Farmers of Alberta, with a membership of 35,000, put its massive strength behind the campaign. On August 20, 1923, canvassers set out to obtain signers to Pool

contracts, which provided for the delivery to the Pool of all wheat sold by the signers for the ensuing five years. The objective was a signed-up acreage equal to 50 per cent of the 1922 Alberta wheat acreage. By September 5th, 26,211 farmers had signed contracts covering 2,558,095 acres, or 45 per cent of the 1922 wheat acreage. When the Alberta Wheat Pool opened its offices on October 29th the objective had been surpassed.

The Alberta government loaned the infant Pool \$5,000 on August 14th, 1923, to assist its start. This was repaid on December 31st of the same year. At the end of October the United Grain Growers, a farmer-owned elevator company in business since 1906, loaned the Pool \$10,000 as working capital. This sum was repaid by December 3, 1923. Financing was done on a narrow margin, and the manager and accountant had to go without their salary cheques until the grain started pouring in. Then the Canadian Bankers' Association agreed to advance the Pool a line of credit for \$15,000,000 at 6½ per cent on the security of terminal warehouse receipts.

Pool Personalities

The first signer of an Alberta Wheat Pool contract was J. E. Gustus, a farmer in the Yankee Valley district, some 25 miles northeast of Calgary. The first man to deliver wheat to the Alberta Pool was John Martin, of Dalroy, 20 miles east of Calgary. Both men have since passed away. The provisional board of directors in control when the Pool started business were: H. W. Wood, of Carstairs, chairman; W. J. Jackman, of Bremner; Stephen Lunn, of Pincher Creek;



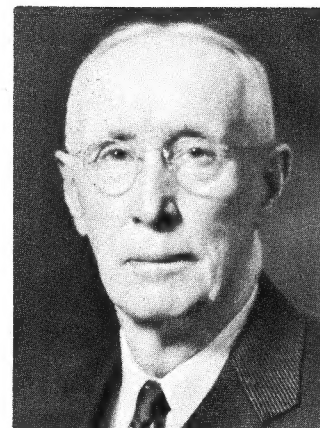
BEN S. PLUMER

Chairman of the board of directors since 1944. Mr. Plumer has labored incessantly to advance Alberta Wheat Pool interests and the cause of farmer co-operatives. He was a member of the first elective board of directors in 1923, and has served continuously on that body for 25 years.

Mr. Plumer has large farming interests at Bassano and Brooks in eastern Alberta.

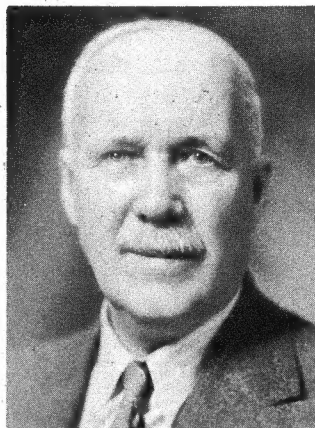
LEW HUTCHINSON

A member of the Pool board from 1923 onward, and chairman from 1937 until 1941, this veteran Alberta farmer has given invaluable service to the organization. He was elected on the first board as representative of the independent farmers. Besides his interest in grain growing, Mr. Hutchinson is an authority on livestock.



GEORGE BENNETT

Chairman of the Pool board of directors 1942 - 1943, member of the board 1927 - 1946. Mr. Bennett is a pioneer co-operator and farmer in the Mannville district. His Scottish accent and infectious enthusiasm make him a popular speaker at farm meetings.



R. D. PURDY

Manager of the Alberta Wheat Pool since January, 1925. Under his capable management, the organization has established a creditable business record, and won the confidence and support of thousands of Alberta farmers.

Col C W Robinson, of Munson, Lew Hutchinson, of Duhamel, C Jensen, of Magrath, and Hans Lausen, of Carseland. The only one still a member of the board is Mr. Hutchinson. The first convention of delegates was held in November, 1923, and the election of the new board of directors resulted as follows. H. W. Wood, chairman, O. L. McPherson, R. N. Mangles, Ben S. Plumer, Lew Hutchinson, C. Jensen, and W. J. Jackman. The various chairmen of the board of directors over the years. H. W. Wood, of Carstairs, 1923 to 1936, Lew Hutchinson, of Duhamel, 1937 to 1941, George Bennett, of Mannville, 1942 and 1943, Ben S. Plumer of Bassano, 1944 to date.

Launching of the Pool

The officials with the modest little staff faced a tremendous problem when business started pouring in during that Alberta autumn of 1923. Prior to that time the grain business of Western Canada had been handled on a more or less stereotyped system. But the Wheat Pool had to work out an entirely new method of accounting to keep track of deliveries from members scattered all over the province, and also to keep records of sales and payments on a pooling basis over each crop year.

Having no elevators of its own, the Pool had to make contracts with elevator companies to handle deliveries of pooled wheat. J. R. Murray of the United Grain Growers Co. and John I. McFarland, then president of the Alberta Pacific Grain Company, were the first grain men to sign such handling contracts. Others followed suit, and soon wheat commenced pouring in to the Pool, some 34,000,000

bushels of it being delivered between October 29, 1923, and July 31, 1924. The payment for the period was \$1.01, basis 1 northern at Ft. William. The cost of handling was 1/2c a bushel.

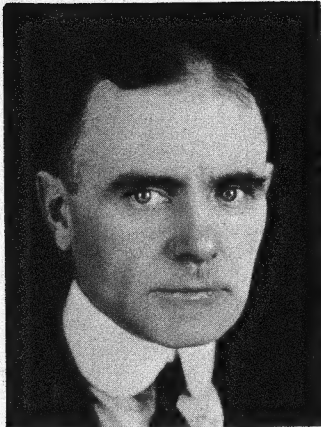
Veteran Employees

Chester M. Elliott, first manager of the Alberta Wheat Pool, had previously been employed as superintendent of the United Grain Growers commission department, and T. R. Humphries was assistant accountant for the U.G.G. before coming to the Pool. D. L. Smith, who had been with the export department of the U.G.G., was employed to handle the Alberta Pool's business in Winnipeg.

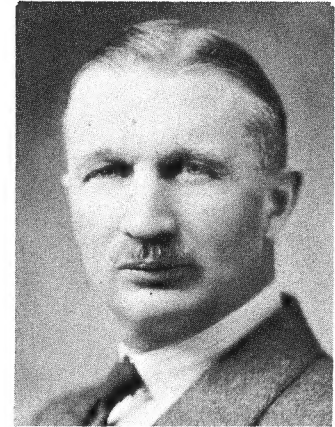
The Pool staff grew as business developed, and by the end of the crop year on July 31, 1924, it numbered 65. Among those who were employed in 1923 and are still members of the Pool staff are N. P. Davisson, who joined the Pool organization staff on August 17, 1923, T. R. Humphries, whose services were secured on October 15, 1923, H. L. Wallis, November 5, 1923, W. J. Teel, November 15, 1923, C. C. McKinnon and R. O. German (secretary), December 16, 1923. Chester Elliott died in October, 1924. R. D. Purdy was appointed manager in January, 1925, and has filled that position ever since.

Movement Spreads Eastward

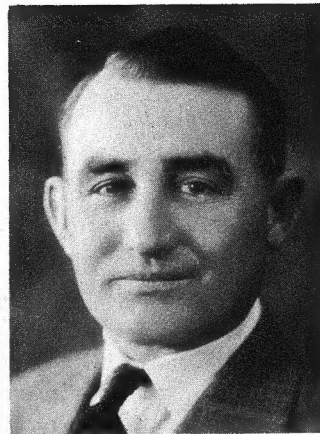
This Pool movement, which started in Alberta, furthest west of the three prairie provinces, was destined to spread a thousand miles eastward. In 1924 a Wheat Pool was formed in Saskatchewan, greatest wheat producing



A. J. McPHAIL
of Regina, first president of
the Canadian Wheat Pool and
also first president of the
Saskatchewan Wheat Pool.



PAUL BREDT
of Winnipeg, former president
of the Canadian Wheat Pool
and president of Manitoba
Pool Elevators.



LOUIS BROUILLETTE
of Regina, former president of
the Canadian Wheat Pool and
the Saskatchewan Wheat
Pool.



JOHN I. McFARLAND
Veteran Alberta grain man
who served as manager of the
Canadian Wheat Pool without
salary from 1930 to 1935, dur-
ing which time he conducted
wheat price stabilization
operations for the Canadian
government. His onerous
duties on behalf of western
farmers hastened his death
on February 6, 1943. Widely
known as "John I.", his mem-
ory will live long on the
prairies.

province in Canada, as well as in the world. The Manitoba Wheat Pool was formed the same year, and in July, 1924, representatives of the three Pool boards met in Regina, Saskatchewan, and organized the Canadian Co-operative Wheat Producers, under Dominion charter. This became known as the Canadian Wheat Pool, or Central Selling Agency. A. J. McPhail, president of the Saskatchewan Wheat Pool, was the first president of Central, and H. W. Wood was the first vice-president. The duty of the Central Agency was to sell the wheat delivered to the three provincial Pools.

The combined physical assets of the three Pools now include some 1,875 country elevators and 8 terminals with a total capacity over-all of 130,000,000 bushels of grain and a total value in excess of \$50,000,000.

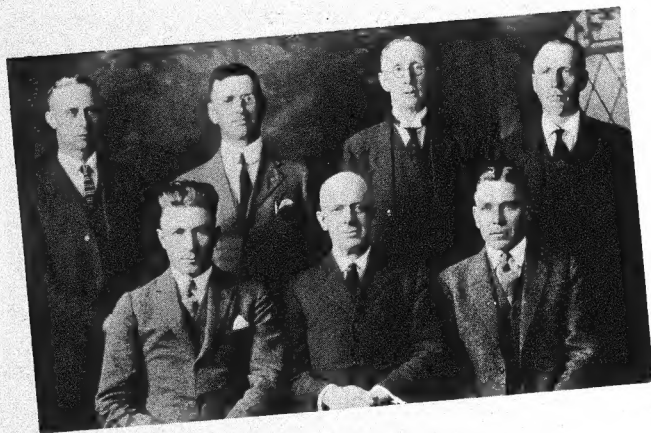
Main Objective

The main objective of the Wheat Pool movement was to bring about a degree of stability in wheat prices, in place of the unending vacillations of the open market system. The operation from the formation of the movement until 1929 was generally successful. In that period the Central Agency sold over a billion bushels of wheat and distributed net proceeds to members to a total of \$1,299,983,404.98. Each provincial Pool built its own elevator system. Total patronage dividends paid out by Pool elevators in the period mentioned above was over \$6,000,000.

Meeting with Adversity

The stock market crash in New York in October, 1929, ushered in the great depression which caused heavy financial losses everywhere in the world. Great business institutions which had been established for scores of years, and even centuries, collapsed. The Wheat Pools suffered heavily. They had made an initial payment of \$1.00 a bushel on deliveries from the 1929 crop. As wheat prices fell lower and lower, the initial payment figure was dropped until it finally reached 50c. The federal government then stepped in, and an arrangement was made with the Pools and banks to place the 1930 Pool wheat, together with the carryover from 1929, in the hands of a re-organized central selling agency under the management of John I. McFarland. Mr. McFarland continued in office until the autumn of 1935. When his operations were finally wound up, a profit of \$9,500,000 was realized.

The Pools maintained that price was a paramount matter to the grain producers and some effort should be made to protect the western farmers in that respect. At the time, that attitude was generally ridiculed and condemned, particularly by the grain trade, but in the years that have passed since then almost every government of every important country in the world has taken effective steps to see that price protection is given domestic wheat producers. In 1929 and 1930 the Wheat Pools of Canada undertook that responsibility, which more properly should have been assumed by the federal government. In so doing, the Pools sustained heavy financial losses (\$24,000,000) but retained



1
9
2
3

FIRST ELECTED BOARD OF DIRECTORS, 1923

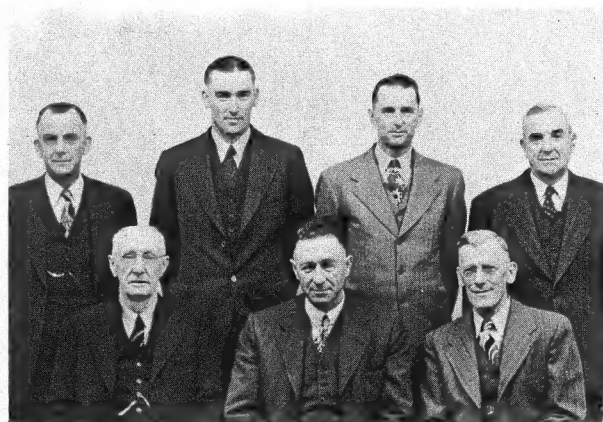
Back row: W. J. Jackman, R.
N. Mangles, Lew Hutchinson,
C. Jensen. Front row: Ben S.
Plumer, H. W. Wood, O. L.
McPherson.



1
9
3
2

BOARD OF DIRECTORS, 1932

Front row: C. Jensen, H. W.
Wood, Ben S. Plumer. Back
row: R. A. MacPherson, Geo.
Bennett, Lew Hutchinson, J. J.
Strang.



1
9
4
8

BOARD OF DIRECTORS, 1948

Front row: Lew Hutchinson, Ben
S. Plumer, Chairman; G. G. Coote.
Back row: E. H. Keith, G. L. Harrold,
A. T. Baker, W. J. Blair.

the respect and loyalty of the great majority of their members.

Road to Recovery

The governments of the prairie provinces came to the assistance of the Pools, each government issuing bonds to cover the deficit of the Pool in its own province, taking in turn bonds from each Pool. The Alberta Pool's debt in this connection was \$5,649,000.

During the period 1923-1928 deductions had been made from the proceeds of the sale of members' wheat to the extent of 2c a bushel for elevator construction and 1 per cent for working capital. These are known as reserves, and therein rests the ownership of the Wheat Pool. The total amount of reserves provided in that period was \$8,467,830.71. As a result of the 1929 overpayment the debt to the government was \$5,649,000, and in addition the Pool owed \$1,750,000 on the new \$3,000,000 Vancouver terminal completed in 1928.

It was a gloomy outlook for the Alberta Wheat Pool in 1931, with this enormous debt hanging over it, and with grain prices trailing along at depression levels. At one time the farm price of 1 northern wheat in Alberta went down to 19c a bushel, barley 11c and oats 8c. But the farmers stayed loyally by their own organization, and the Pool bravely undertook to pay off its debts. The Alberta government was paid in full in 1947 and the terminal debt likewise cleared off. The earnings of the Pool elevator system were used for the purpose, and the patrons had to

forego patronage dividends for a number of years. In recent years patronage dividend payments have been resumed. The organization is now in excellent financial shape.

Following 1930 the Pools discontinued pooling operations and released members from their contracts. They then started an agitation for the formation of a federal Wheat Board, maintaining that only such a board would have the strength to provide a reasonable measure of price protection for the farmers. This campaign was crowned with success when, in 1935, the Bennett government passed legislation providing for a Wheat Board. Since then the operation of the Wheat Board has met with widespread approval.

There was nothing intrinsically wrong with the Wheat Pool idea. The present Canadian Wheat Board is following principles laid down by the Wheat Pools when they were pooling grain. An initial payment is made when the grain is delivered, and final payments are distributed after the grain is sold. Every farmer is given the same price, based on grade and distance from the terminal. In periods of congestion the quota delivery system provides a fair share of the available elevator space to each wheat producer.

Other Pool Activities

The Alberta Wheat Pool takes an active interest in Alberta farm youth. It is a co-sponsor, in conjunction with the provincial and federal departments of agriculture, of the Junior Wheat Club movement, which over the past 19 years has been outstandingly successful, not only in improving



J. H. WESSON
President
Saskatchewan
Wheat Pool, and
also President
of the Canadian
Wheat Pool.



W. J. PARKER
President
Manitoba Pool
Elevators.



J. E. GUSTUS
of Yankee Valley,
Alberta, first man
to sign an
Alberta Wheat
Pool contract.



VETERAN
POOL DELEGATES

C. A. Fawcett, of Consort, on left, has served 22 years on the Alberta Wheat Pool delegate body; while John Fowlie, of Bindloss, on the right, has served 23 years. Mr. Fowlie is the only present delegate who was also on the 1923 delegate body.

JENS C. RAM
of Edberg,
oldest member
of the Alberta
Wheat Pool; who
celebrated his
100 birthday on
January 7,
1948.



the quality of seed wheat in this province, but also in developing leadership among the young farmers of the coming generation.

The Alberta Wheat Pool also sponsors the Junior Forage Crop clubs in Alberta, the aim being to make club members more conscious of the need and value of forage crops in developing a more permanent system of agriculture in this province.

Girls' gardening and home beautification clubs also receive the support of the Alberta Wheat Pool. These clubs are organized and supervised by the district home economists, under the direction of the Alberta department of agriculture to interest and educate farm girls in gardening and nutritional problems.

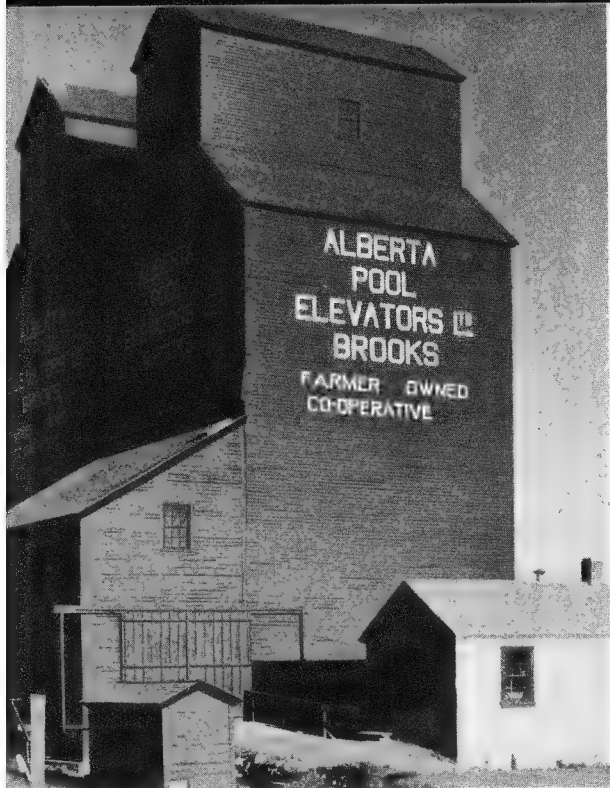
In addition, the Alberta Wheat Pool pays most of the expenses of 35 farm young people to attend the University of Alberta Farm Young People's Week, held in Edmonton each spring.

The Alberta Wheat Pool took a leading part in the struggle to prevent the application of federal corporation income taxation to co-operative organizations. Strong

representations by the Wheat Pools and other organizations resulted in the government's action being more lenient than was its original intention.

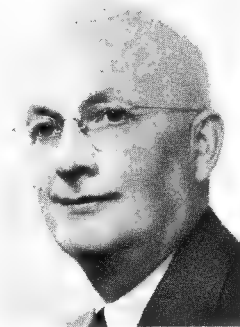
The Alberta Wheat Pool has conducted a province-wide publicity campaign, not only on its own behalf, but also in support of the co-operative movement in general. Through the use of radio, co-operative messages have been daily broadcasted the length and breadth of the province.

The conservation of the natural resources of the province has also engaged the attention of the Alberta Wheat Pool. In its publicity work, information has been disseminated as to the best methods of conserving the fertility of Alberta farm lands and preventing wind and water erosion. The preservation of the forests on the eastern slope of the Rocky Mountains, the main source of Alberta rivers, has also received support from the Alberta Wheat Pool. R. D. Purdy, manager of the Alberta Wheat Pool, is chairman of the Alberta board of directors of the Canadian Forestry Association, and has expended considerable effort in interesting people and governments in the need for forest conservation.



ONE OF 487 ALBERTA POOL ELEVATORS,
BROOKS, ALBERTA

Being owned by Alberta farmers and operated for their benefit, Pool elevators provide a high standard of service to patrons. The operations of these elevators has narrowed price spreads on grain deliveries and reduced handling costs. Pool elevators set the standard for grain elevator operation in Alberta.



T. E. OLIVER
assistant manager, an
employee of the Alberta
Wheat Pool since July
15, 1926.



JOSEPH BENNETT
superintendent of ter-
minals, Vancouver, an
employee of the Alberta
Wheat Pool since Au-
gust 1, 1926.



HOWARD BOYLE
manager of the Edmon-
ton office, an employee
of the Alberta Wheat
Pool since January 1,
1925.



R. D. PURDY
BEN S. PLUMER
CARL ANDERSON

ONE OF 487 ALBERTA POOL ELEVATORS
CAMROSE, ALBERTA.



LOUGHEED BUILDING,
CALGARY
Head Office of the
Alberta Wheat Pool.





N. P. DAVISSON
 supervisor of the growers' department, in the employ of the Alberta Wheat Pool since its inception.



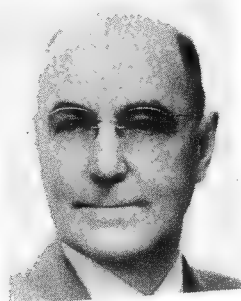
T. R. HUMPHRIES
 accountant in the employ of the Alberta Wheat Pool since its inception.



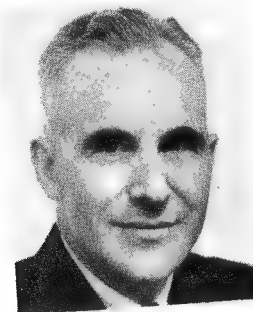
HARRY WALLIS
 traffic department, an employee of the Alberta Wheat Pool since November 5, 1923.



W. J. TEEL
 Winnipeg office, an employee of the Alberta Wheat Pool since November 15, 1923.



R. O. GERMAN
 Secretary, an employee of the Alberta Wheat Pool since December 16, 1923.



C. C. McKINNON
 an employee of the Alberta Wheat Pool since December 16, 1923.

Alberta Pool's Financial Story

Alberta Pool Elevators' patronage dividend payments in cash and reserves:

	Paid in Reserves \$	Paid in Cash \$
1926-27		327,196 05
1927-28		960,262 13
1928-29		488,570 13
1938-39		89,041 06
1939-40		91,978 67
1940-41	256,627 84	213,873 45
1941-42		196,554 00
1942-43		306,760 95
1943-44	1,121,400 03	311,499 96
1944-45	590,517 63	160,467 45
1945-46	376,372 45	376,372 45
1946-47	684,631 18	201,603 85
	<u>3,029,549 13</u>	<u>3,724,180 15</u>

Purchase of Reserves

The Alberta Wheat Pool has purchased from the membership at 100 cents on the dollar, reserves to the value of \$4,468,883 85 over the years as follows:

1942-5%	\$ 423,391 53
1943-5%	402,221 96
1944-5%	382,110 86
1946	1,295,419 93
1947	895,719 93
1948	1,055,842 69
	<u>\$4,454,706 90</u>

Recapitulation

Paid out by Alberta Wheat Pool:

Patronage dividends in cash	\$ 3,724,180 15
Interest on reserves	631,253 09
Repayment of debt to government	8,855,629 43
Redemption of reserves	4,454,706 90
	<u>\$17,665,769 57</u>
Patronage dividends paid in reserves	\$ 3,029,549 13

Pool Notes of Interest

The first Alberta Wheat Pool elevators were built in 1925. At the end of the 1947-48 season the Alberta Wheat Pool owned 487 country elevators situated at 434 points in the province of Alberta and at two points in the province of British Columbia.

The total capacity of all country grain handling facilities is now 29,551,900 bushels, of which 20,626,500 bushels is permanent capacity. The remainder represents temporary annex space.

In the 23 years since the Alberta Pool Elevators commenced operations, its country elevators have handled a total of 786,021,216 bushels of grain.

The Pool organization since its inception in 1923 has handled a combined total of 1,002,886,669 bushels through pooling and elevator operations. The gross value of all grain handled was \$925,451,631.66.

Since 1923 Alberta Wheat Pool has paid \$3,640,311.02 in Dominion, Provincial, Municipal and School Taxes.

A Worthy Movement

From radio talk by R. D. Purdy

"It has been our policy to operate this enterprise along the lines of pure co-operation. We believe sincerely in the principles of co-operation and in its effectiveness on behalf of the grain growers. Nothing can take its place in the provision of security and preservation of hard-won rights and privileges.

"We endeavour to operate the Alberta Wheat Pool as effectively and economically as possible so to do. The fact is that our movement is always on trial, always in the full searchlight of publicity, and always the target of subterranean attacks. We are never permitted to forget all these. And yet we feel there are compensating factors in that our organization is a useful one, a power for good and not a despoiler. We look hopefully to the future with the belief that our producers' co-operative movement, because of its essential virtues, is destined to fill an important place in the forward march of mankind."

Why Support Pool Elevators

1. Because Pool elevators give efficient service and protection to all.
2. Because Pool elevators are operated at cost, and excess earnings are returned to Pool members who patronize their elevators.
3. Because the producer's self-protection is incomplete and ineffective if private organizations can still exploit him.
4. Because Pool elevators are the property of over 45,000 Alberta farmers who have invested \$8,467,830 in



JUNIOR WHEAT CLUB SCENE

this great co-operative elevator system. Pool farmers can safeguard this investment by delivering all their grain to Pool elevators. A heavy volume of deliveries means low cost of operation.

5. Because Pool elevators have been mainly responsible in bringing down Western Canada's costs of handling grain, which are now the lowest in the world.

6. Because it is of vital importance that a strong co-operative elevator system should flourish in Alberta. It is essential that such an elevator system should be under the control of Alberta grain producers — men who are actually following the occupation of farming.

Alberta Pool Elevators is the only organization in Alberta which meets these requirements.



ALBERTA WHEAT POOL DELEGATES, 1947.

There are 70 delegates elected by the membership, and they lay down Pool policies at the annual conventions which are called for the fourth Tuesday in November in each year.

